

### **REMARKS/ARGUMENTS**

This Amendment is in response to the Office Action mailed January 4, 2005. In the Office Action, claims 60 and 61 were rejected under 35 U.S.C. § 102(e) and claims 11-17, 18-20, 21-30, 31 and 32, 66-72 were rejected under 35 U.S.C. § 103. Claims 11-13, 18-20 and 60 have been amended and claims 1-10, 33-59 and 62-65 have been cancelled without prejudice. Claims 73-84 have been added. Reconsideration in light of the amendments and remarks made herein is respectfully requested.

#### ***Rejection Under 35 U.S.C. § 102***

Claims 60 and 61 were rejected under 35 U.S.C. § 102(e) as being anticipated by Geiselman (U.S. Application No. 2002/0072349). Applicant respectfully traverses the rejection because a *prima facie* case of anticipation has not been established. In order to facilitate prosecution of the subject application, Applicant respectfully requests the Examiner to provide detailed information as to what limitations are allegedly taught or suggested by specific terms in the cited references in lieu of referencing a series of paragraph numbers.

As the Examiner is aware, to anticipate a claim, the reference must teach every element of the claim. "A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Vergegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631, 2 USPQ 2d 1051, 1053 (Fed. Cir. 1987). "The identical invention must be shown in as complete detail as is contained in the...claim." *Richardson v. Suzuki Motor Co.*, 868 F.2d 1226, 1236, 9 USPQ 2d 1913, 1920 (Fed. Cir. 1989).

With respect to independent claim 60, Applicant respectfully submits that Geiselman does not describe each and every limitation set forth in the amended claim. For instance, Geiselman does not teach that the portable unit is hand-held such as a cellular telephone form factor for example. Moreover, there is no teaching by Geiselman of either (i) selecting a key of the hand-held portable unit to access user transaction information, which is stored in a protected area of internal memory within the portable unit or (ii) transmitting the user transaction information to an input/output interface of the portable unit for transmission to a point-of-sale (POS) system. Herein, the user transaction information can be accessed, but not modified by a user of the portable unit.

In light of the amendments set forth above, Applicant respectfully requests the Examiner to withdraw the §102(e) rejections.

#### ***Rejection Under 35 U.S.C. § 103***

Page 3 (section 4) of the Office Action states that claims 11-17 and 21-30 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Houvener (U.S. Patent No. 6,202,055). Applicant respectfully submits that the second paragraph of section 4 incorrectly identifies claims 50-53, where claim 53 has been supposedly withdrawn. Applicant presumes that "53" is a typographical error and should be "52". Claims 11-13 have been amended and claims 50-52 have been cancelled without prejudice.

As the Examiner is aware, to establish a *prima facie* case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the

references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify a reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all of the claim limitations. *See MPEP §2143; see also In Re Fine, 873 F. 2d 1071, 5 U.S.P.Q.2D 1596 (Fed. Cir. 1988)*. Herein, at a minimum, the combined teachings of the cited references do not describe or suggest all the claim limitations.

For example, with respect to claim 11, Houvener provides no teaching or suggestion of user verification. Instead, Houvener describes verification of a device, which occurs by sending out user information (photo) if the device is verified. More specifically, Houvener teaches a controller (13) that verifies whether a requesting terminal (1) is a valid device, and is allowed to transmit an information request to the database storage site. The information request is used to retrieve user information (e.g., credit card). *See column 6, lines 32-46 of Houvener*. No user verification and authentication is performed prior to uploading the user information, which creates an insecure data exchange.

In addition, Houvener fails to describe or even suggest the establishment of communications by the entity with a hand-held portable unit that comprises internal memory including a first area to contain user information. In contrast, Houvener teaches a point of identification terminal (1), which is neither portable nor adapted with internal memory containing user information. The terminal (1) appears to be a terminal for a retail POS system.

Moreover, Houvener fails to describe or even suggest the uploading of user information into the portable unit only after the user is verified and authenticated. The user information is subsequently provided by the portable unit to a business entity independent from the entity for identification of the user during a transaction. As described on column 6, line 6-67 of Houvener, an information request is sent by the point of identification terminal (1) to the controller (13) at a remote database storage site to obtain information such as digital photographic or unique personal data. *See column 6, lines 40-46 of Houvener*. The photographic or personal data, considered by the Examiner to be the user information, is not provided during a subsequent transaction by the terminal (1) to a business entity as now claimed.

In light of the amendments set forth above, Applicant respectfully requests the Examiner to withdraw the §103(a) rejection as applied to claim 11 as well as claim 12-17 and 21-30 dependent thereon.

Claims 18-20, 31 and 32 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Houvener as applied to claims 11 and 15 above and further in view of Axelrod (U.S. Patent No. 5,337,358). Claims 18-20 and 31-32 depend on independent claim 11. Thus, these claims are allowable based on their dependency on an allowable claim. Applicant respectfully reserves the right to further submit additional grounds for traversing the rejection is an appeal is warranted.

Claims 66-72 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Taylor (U.S. published application 2002/0025796, hereinafter referred to as the "the '796 Application") in view of Axelrod. Applicant respectfully traverses the rejection because

Taylor does not constitute prior art and a *prima facie* case of obviousness has not been established.

First, the '796 Application has a filing date of May 8, 2001, which is subsequent to the filing of the subject application. However, the '796 Application claims the benefit of priority on U.S. Provisional Application No. 60/229,564 filed August 30, 2000 (hereinafter referred to as the "Provisional application"). As the Examiner is aware, the '796 Application may claim the benefit of the filing date of the Provisional application only on subject matter that is disclosed in the Provisional application. For any subject matter added to the '796 Application that was not previously supplied within the Provisional application would be associated with the May 8, 2001 filing date.

To date, Applicant has been unable to obtain a copy of the Provisional application to determine whether or not the subject matter cited by the Examiner in the rejection is contained within the Provisional application. As a result, Applicant respectfully submits that Taylor does not constitute prior art and respectfully requests the Examiner to provide evidence that the subject matter of Taylor referenced in the Office Action was previously set forth in the Provisional application. Absent such offering of evidence, Applicant respectfully requests the Examiner to withdraw the outstanding §103(a) rejection.

Second, neither Taylor nor Axelrod, alone or in combination, suggests each and every limitation set forth in claim 66. Applicant agrees that Taylor does not describe the uploading of the drivers license information into the portable unit for storage within the memory. However, column 4, lines 31-67 of Axelrod does not suggest this limitation. Instead, this cited portion of Axelrod is directed to the storage of a text message T within a permanent medium while the image I being is printed by a printer or transmitted over link 44. *See column 4, lines 32-33 & 43-45 of Axelrod.*

In light of the amendments set forth above, Applicant respectfully requests the Examiner to withdraw the §103(a) rejection as applied to claim 66 as well as claim 67-72 dependent thereon.



**Conclusion**

Applicant respectfully requests the Examiner to contact the undersigned attorney to discuss the allowability of the subject application because such discussion would likely facilitate prosecution of the subject application. The undersigned attorney can be reached at the phone number listed below.

Respectfully submitted,

BLAKELY, SOKOLOFF, TAYLOR & ZAFMAN LLP

Dated: 06/06/2005

By

William W. Schaal

Reg. No. 39,018

Tel.: (714) 557-3800 (Pacific Coast)

12400 Wilshire Boulevard, Seventh Floor  
Los Angeles, California 90025

**CERTIFICATE OF MAILING/TRANSMISSION (37 CFR 1.84)**

*I hereby certify that this correspondence is, on the date shown below, being:*

**MAILING**

**FACSIMILE**

☒ deposited with the United States Postal Service  
as first class mail in an envelope addressed to:  
Commissioner for Patents, PO Box 1450,  
Alexandria, VA 22313-1450.

☐ transmitted by facsimile to the Patent and  
Trademark Office.

Date: 06/06/2005

Susan McFarlane

06/06/2005

Date